



Summary Report on ABA Activities in 2017

THE 2017 ABA YEAR-IN-REVIEW

In 2017, the ABA continued to undertake activities aimed at further enhancing the value of the Association to its members and the Asian banking sector as a whole.

Conceptualized and implemented with the valuable guidance and assistance of ABA members, the activities and projects of the Association in 2017 are summarized in this Year-in-Review report.

I. PREPARATIONS FOR THE 34TH ABA GENERAL MEETING & CONFERENCE

A. Planning Committee Meeting

1. The 2017 ABA Planning Committee Meeting was held on March 10, 2017 at The Trident Hotel, Nariman Point, in Mumbai, India, with the State Bank of India as the host organization. Presided by ABA Chairman Mr. Daniel Wu, President and CEO of CTBC Financial Holding Ltd., the meeting was attended by 17 representatives of 5 banks from 5 countries, including Austria, Iran, India, Republic of China (Taiwan), and Vietnam.



2. The Planning Committee focused its discussions on:

- a. Preparations for the 34th ABA General Meeting and Conference, with the deliberations focusing on the final dates and venue, themes and topics for the seminar, line-up of possible speakers, and suggested format and program, among others.



- b. The progress of the various activities and projects outlined under the ABA 2017 Work Program and suggestions for their effective implementation.
- c. The Work Program for 2017 of the ABA Policy Advocacy Committee.

3. Following the meeting, ABA Secretariat officers led by Amb. Victor C. Y. Tseng and SBI officers led by Mr. Swaminathan, conducted an ocular inspection of the Conference facilities of Trident Hotel to check on the suitability of the meeting rooms and the social functions venues. They later met to discuss the necessary preparations to be made for the Conference (e.g., the promotional brochure , registration procedure, hotel booking, etc.)

B. Meeting with the Indian Banks Association

4. A six-person ABA delegation led by ABA Chairman Mr. Daniel Wu made a courtesy call on Mr. V G Kannan, CEO of Indian Banks Association (IBA), on the afternoon of March 9 at the premises of IBA. Also present at the meeting were senior IBA officers.

5. During the meeting, Mr. Wu extended his invitation to IBA and its members to join the 34th ABA General Meeting and Conference to be hosted by the State Bank of India in November 2017, pointing out that the November Conference was significant as it would be the first time for the ABA to hold its annual Conference in India. To further enhance cooperation between the IBA and ABA, Mr. Wu proposed a signing of an MOU between ABA and IBA that would identify possible areas of cooperation between the two organizations. He suggested that the MOU could be signed by both parties during the November Conference





6. For his part, Mr. Kannan conveyed his warm welcome to the ABA delegates, most of whom were first-time visitors to Mumbai. As former Managing Director of SBI, he also expressed his strong support of the 34th ABA General Meeting and Conference to be held in Mumbai. To give the ABA delegates a better understanding of IBA and of the Indian market, Mr. Kannan made a comprehensive presentation on the operations and missions of IBA as well as the current economic and financial sector conditions in India and of the latest developments in the Indian market.

C. Meeting with Reserve Bank of India

7. ABA Chairman Mr. Daniel Wu, accompanied by five other ABA Board members, had the opportunity to visit the Reserve Bank of India (RBI) on March 10 and meet with RBI Executive Director Mr. B. P. Kanungo. Mr. Wu extended his invitation to Mr. Kanungo to attend the November Conference.



8. Mr. Kanungo thanked Mr. Wu for visiting the RBI, and for his introduction on the ABA. He conveyed his strong support of SBI's hosting of the 34th ABA General Meeting and Conference in Mumbai in November, and expressed his hopes that a big contingent of foreign bankers will be able to join the event and take advantage of their presence in Mumbai to know more about the Indian economy and banking sector and network with local bankers. Mr. Kanungo also briefed the visiting ABA delegation about the current economic situation in India, as well as the recent trends and developments in the country's banking and financial sector. He also shared his thoughts on the economic prospects of the country and what may lie ahead for the banking sector.



D. Coordination with Host Bank

9. Subsequent to the Planning Committee Meeting, the ABA Secretariat coordinated with the State Bank of India – mainly through regular teleconferences - on preparations for the 34th ABA General Meeting and Conference. Discussions focused on the tentative program, the contents of the brochure, and logistical arrangements for the meeting (e.g., accommodation, meeting venues), among others. A line-up of possible speakers was identified and invited, and subsequent follow ups were made.

II. POLICY ADVOCACY

A. Approval of the Policy Advocacy Committee Work Program for 2017



10. The ABA Policy Advocacy Committee held its first meeting for 2017 on March 10 in Mumbai, in conjunction with the Planning Committee Meeting. During that meeting, which was presided by Chairman Ms. Prudence Lin, Senior Vice president from CTBC Bank, the Committee approved its Work Program for 2017, with the following objectives:

- Promote greater understanding of the implications for, and potential impact on, the financial industry of the rapid adoption of new financial technologies
- Promote a greater understanding of the changing paradigm resulting from Brexit and the Trump presidency and its impact on the global economy



- Achieve transformational change among member banks through cooperation in business process re-engineering initiatives
- Promote financial literacy in the region
- Encourage member banks to promote institutional linkages and partnerships to make micro, small and medium enterprises (MSMEs) commercially bankable
- Continue to promote ABA Informal Workout Guidelines

B. Dissemination of ABA Position Papers

11. The ABA circulated to all members the following papers finalized by the ABA Policy Advocacy Committee at its meeting in November 2016 in Ha Long Bay, Vietnam, as well as its meeting in November 2017 in Mumbai. These included:

- a. A paper sharing the experience of Hatton National Bank in undertaking business process re-engineering initiatives to achieve transformational change in its organization
- b. A paper recommending measures to be undertaken by ABA and its members aimed at promoting institutional linkages and partnerships to make micro, small and medium enterprises commercially bankable.
- c. A paper sharing the experience and practice of Bank Pasargad in promoting financial literacy in Iran.
- d. A paper sharing the experience and practice of Erste Group Bank in promoting financial literacy among its customers in Austria
- e. A paper sharing the experience and practice of the State Bank of India in promoting financial inclusion through SME lending

C. Promotion of the ABA Informal Workout Guidelines and Model Agreement

12. Activities to promote the ABA Informal Workout Guidelines and Model Agreement were continued through the participation of ABA Special Advisor Dr. Shinjiro Takagi in the following :

- a. Conference organized by the International Bar Association held on February 14-18 in Mumbai, India.



- b. Symposium and INSOL International Conference to be held in Singapore and Sydney from March 13 to March 23
- c. the Singapore-based Asian Business Law Institute (ABLI), which was recently organized primarily to conduct research and produce authoritative texts with a view to providing practical guidance in the field of Asian legal development and promoting the convergence of Asian business laws

D. Participation in the Symposium on Asian Banking and Finance in Singapore

13. Deputy Secretary Mr. Amador Honrado Jr. represented the ABA at the “Asia Symposium: Risk and Resilience in Global Finance” jointly organized by the Federal Reserve Bank of San Francisco (FRBSF) and the Monetary Authority of Singapore (MAS) on May 29-30, 2017 at the MAS Building in Singapore.



14. The Singapore event marked the ten-year anniversary of the FRBSF's “Symposium on Asian Banking and Finance, which began in 2007 with a conference to consider the “lessons learned” from the 1997-98 Asian financial crisis. Since then, through the global crisis, FRBSF has continued annually to examine key global developments in banking and finance with the objective of bringing Asian voices to the discussion.

15. The theme of the 2017 Symposium reflected the ongoing efforts and recent developments in managing the effects of regulatory reforms, leveraging financial technologies, and strengthening culture and conduct.



16. This year's gathering brought together some 110 participants composed of senior policymakers, market participants and academics from Asia and beyond. The Symposium provided a platform for a candid exchange of ideas on the shifting financial landscape in Asia, how that impacts other regions, and how Asia is affected by developments in Europe and America.

III. TRAINING PROGRAMS

ABA Short-Term Visiting Programs

17. Over the past year, the ABA organized two short-term visiting programs for members hosted by the following member banks:

- a. **Malayan Banking Berhad (Maybank)** – Maybank hosted another short-term visiting program in Kuala Lumpur on January 18-19, 2017. The two-day program featured speakers from the Bank who covered topics such as wealth management in Asia, global banking, group compliance, risk culture, transaction banking, and HNW and affluent banking. Participants were also given a guided tour of Maybank's Banking Hall. The January 2017 program followed the highly successful and well-received Maybank visit held in November 2015.



- b. **State Bank of India** – The State Bank of India (SBI) hosted – for the first time – a short-term visiting program on July 27-28, 2017. Held at the State Bank Staff College in Hyderabad, the two-day program featured speakers from SBI who shared their expertise and the bank's experience in the following topics and banking operations: Global Market/Treasury; New Business Initiatives - Digital Banking; Connecting with Customers; Reaching out: Financial Inclusion; Connecting with the Customers – Social Media and Data Analysis; Risk Management; KYC/AML/CFT/Money Laundering/FATCA Compliance



and Challenges; Developing Future Leaders; and e-Smart SME-MSME Lending/Supply Chain.



18. The ABA Secretariat coordinated with the **Rizal Commercial Banking Corporation (RCBC)** in the hosting of the Microfinance Appreciation Course in early 2018 - the third one after similar workshops were held in January 2013 and in June 2015, both also in Manila. The primary objective of the Course is to provide ABA member banks, particularly those who are interested to engage in microfinance as a business initiative, the opportunity to learn from the experience, best practices, and expertise of RCBC and its microfinance arm **Rizal Microbank**.



International Study Tour on MSME Development Programs and Policies of Taiwan

19. The ABA jointly organized with the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) the “International Study Tour on MSME Development Programs and Policies of Taiwan” on October 30-November 3, 2017 in Taiwan. A total of 13 participants from 6 Asian countries joined the study tour. They were composed mainly of senior officers and managers of banks and financial institutions from Asian countries involved in every facet of SMEs/MSMEs development.



20. The one-week program provided an opportunity for participants to learn the best practices of specialized financial institutions and government organizations in Taiwan whose mandates include entrepreneurship development and extension of loans and other financial facilities/services to SME/MSME sectors. It was structured to give a more relevant and practical perspective on Taiwan's SME financing and development through visits to policy and regulatory agencies, to conduits of MSME funds both in the private and public sectors, various microfinance institutions and multilateral organizations. It was designed to serve as a platform for exchanging views, ideas and best practices among bankers and relevant government agencies in promoting the growth and development of MSMEs

Participation in the ACRAA Workshop in Kuala Lumpur

21. ABA Deputy Secretary Mr. Miguel Moreno represented the ABA in the workshop on “Indicators for Effective Macroeconomic Risk Analysis” organized by the Association of Credit Rating Agencies in Asia (ACRAA) and hosted by the Malaysian Rating Corporation Berhad on July 27-28, 2017 in Kuala Lumpur. The course provided a practical guide to understanding quantitative and qualitative macroeconomic indicators commonly used as signals for countries' economic health. It provided a basic framework that could be used to assess the prospects and the risks associated with the economy.





ABA-Endorsed Seminars and Conferences

22. The ABA agreed to be Supporting Partner of the following Conferences held by various event organizers in 2017, including the following:

- a. *Financial GRC Summit* organized by IQPC, a provider of conferences and training programs, on February 21-22, 2017 in Singapore
- b. *Asian Financial Services Congress 2017* organized by IDC Financial Insights, a regional research and advisory firm, on March 2 - 3, 2017 in Singapore
- c. *BankTech Asia 2017* organized by Knowledge Group of Companies, on March 21-22, 2017 in Colombo, Sri Lanka.
- d. *Financial Inclusion Summit Asia 2017* organized by Terrapinn Pte Ltd, a business media company, on April 18-19, 2017 in Singapore,
- e. *Managing Dawn Raids Workshop* organized by Pacific Conferences on May 11, 2017 in Hong Kong
- f. *The Future of Finance Summit 2017* organized by The Asian Banker on June 8-10 in Singapore
- g. *Asia Trade & Treasury Week 2017* organized by Global Trade Review on September 5-7, 2017 in Singapore
- h. *BankTech Asia 2017* organized by Knowledge Group of Companies, a conference and workshop solutions provider, in September 2017 in Manila, Philippines and in November 2017 in Jakarta, Indonesia

Participation in Association Management Course in Manila

23. The ABA Secretariat, represented by the Deputy Secretary, joined the Association Management Course organized by the Philippine Council of Associations and Association Executives (PCAEE) on February 16, 2017 in Makati City, Philippines. The one-day course covered three major topics, namely: (a) Roles and Activities of Associations; (b) Attributes of a Successful Association; and (c): Why Associations Fail.



24. Attended by some 35 representatives of various member associations of PCAAE, the one-day course is part of the Certified Profession Association Program conducted by the PCAAE for its members and associates.



Participation in the Global Association Management Conference in Seoul

23. Two Senior Officers of the ABA Secretariat attended the highly successful “Great Ideas Global Association Management Conference Asia Pacific” held on March 22-24, 2017 in Grand Hyatt Seoul, South Korea.

24. Organized by The American Society of Association Executives, the event was sponsored by the Ministry of Culture, Sports, and Tourism, Seoul Metropolitan Government, and the Korea Tourism Organization. The two ABA Senior Officers had the opportunity of participating in the three-day program which focused on association management.

Survey on ABA Members' Training Needs

25. The ABA Secretariat conducted a survey among members on specific training courses for which they want the support of the ABA. Based on the survey results, the ABA will co-design and help organize, jointly with strategic partners, the appropriate training programs to be offered to members and delivered to them via webinar.





IV. PARTICIPATION IN THE 50TH ADB ANNUAL MEETING IN YOKOHAMA, JAPAN

26. The ABA was once again accredited as Guest Association at the 50th Annual Meeting of the Board of Governors of the Asian Development Bank (ADB) held on May 4-7, 2017 in Yokohama, Japan .

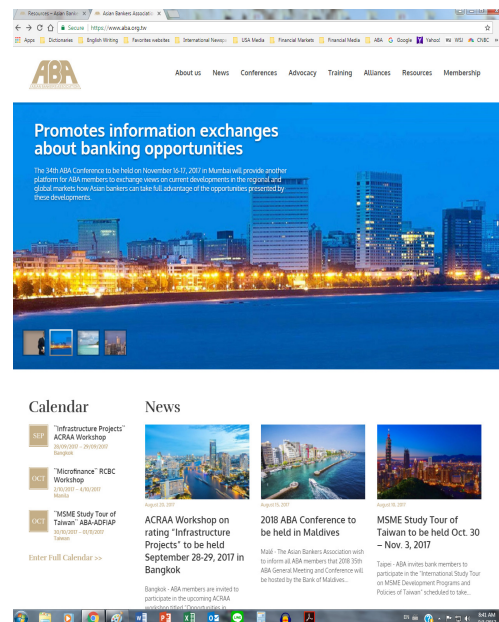
27. The ADB meeting in Yokohama gathered more than 4,000 registered delegates from some 70 countries. The four-day meeting brought together ministers of finance and development, central bankers, private sector representatives, civil society and media to discuss a broad range of issues linked to ADB's mission to reduce poverty.



V. LAUNCHING OF NEW ABA WEBSITE

28. The ABA Secretariat on September 1 launched the new ABA website under the domain name of www.aba.org.tw. Aimed at increasing ABA's prominence within the regional and global banking community, the newly re-designed ABA website is now more user-friendly, easy to navigate, and packed with regular updates of information of interest to members.

29. ABA Chairman Mr. Daniel Wu, under whose initiative the new website project was launched, has expressed his hopes that with the new website, ABA members can now improve how they can communicate with each other and with the world at large, thereby allowing members to network with potential partners in other Asian countries and worldwide.





VI. LAUNCHING OF THE NEW ABA LOGO

30. The ABA Secretariat on September 5 launched the new ABA logo. The new design was the choice of the majority of ABA Board members based on the results of the survey conducted in July and August 2017. The new logo retains the general concept of the old logo, but with the letters “ABA” rendered in gold to signify “value” or “wealth” which the financial and banking industry represents.



VII. 34th ABA GENERAL MEETING AND CONFERENCE

31. Over 200 bankers from Asia-Pacific, the Middle East and other regions - composed mainly of ABA members led by ABA Chairman Mr. Daniel Wu attended the 34th ABA General Meeting and Conference held on November 16-17, 2017 in Mumbai, India. Hosted and organized by State Bank of India, the two-day Conference was held at Trident Hotel Nariman Point.



32. The Mumbai Conference carried the theme **“Asia's Turn to Transform”**. Invited speakers from the banking and financial industry, regulatory agencies, and the academe, shared their thoughts on how recent economic and geopolitical developments in the international arena and the continued proliferation of new financial technologies and start-ups are expected to cause financial systems across Asia to undergo significant transformation in the year ahead.



Opening Ceremony

33. Newly appointed Chairman of the State Bank of India Mr. Rajnish Kumar gave the Welcome Remarks on behalf of the host bank, followed by the Welcome Statement from ABA Chairman Mr. Daniel Wu.

34. Mr. Viral Acharya, Deputy Governor of the Reserve Bank of India attended the Conference as Special Guest Speaker, while Mr. Uday Kotak, Executive Vice Chairman and Managing Director of Kotak Mahindra Bank was the Keynote Speaker.



Conference Proper

35. The Conference proper consisted of four Plenary Sessions that featured eminent speakers and panelists from both government and the private sector who shared their views and insights on the following timely and relevant topics:

- a. **Plenary Session One** focused on the topic **“Asia Amid the Global Slowdown”** Discussions focused on the prospects of global economic growth, to what extent these may impact on the outlook of the Asian economies, and what policy approach is needed to reinvigorate growth, ensure it is distributed more evenly, and make it durable.
- b. **Plenary Session Two** addressed the topic **“Brexit and the Trump Presidency: Implications for Asia”**. Invited panelists shared their perspectives of what the shift in U.S. economic and trade policy under the Trump Administration (espousing the so-called “America First”



policy) mean for Asia, and what they think are the economic consequences of Brexit for the region, what its geopolitical implications are for Asia, what opportunities does this hold for deeper cooperation within existing alliances such as the G20.

- c. **Plenary Session Three** discussed the topic **“FinTech: Competitor or Collaborator?”** Discussions focused on the implications of the rapid adoption of new financial technologies for Asian banks; how financial institutions can use technology to serve new customers and adapt to competition from firms outside of the financial sector; whether banks and FinTechs can do better by cooperating rather than by competing with each other; and how they can collaborate by providing each other what they now lack, be that data, brand, distribution or technical or regulatory expertise.

- d. **Plenary Session Four** focused on the topic **“Digital and Mobile Banking: What it Means for Customers and Other Stakeholders.”** This session featured panelists who examined what the so-called FinTech revolution means for the average consumer or business owner, and in what ways is it changing their experience of the financial services industry. They also addressed the issue of how financial regulators can encourage financial innovation while containing the risks associated with these new technologies, ensuring to continually set in place regulations that strike a balance between rapid change, consumer protection, and financial stability.

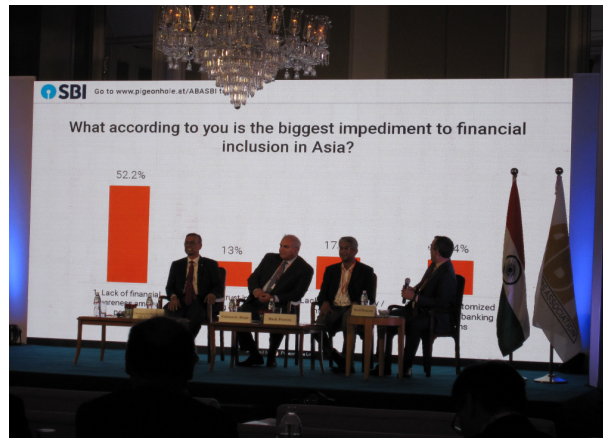




36. As in previous years, the two-day event also featured a Host Bank session held on November 16. Organized by the host organization State Bank of India, this session was divided into three parts:

- a. The first part featured a speech on *Combating Financial Crime* by Mr. Howard Mendelsohn, Managing Director, Camstoll Group, Washington DC
- b. The second part was a panel discussion on the topic “*Financial Inclusion: Learnings from Asian Markets.*”
- c. The third part addressed the topic “*Basel III: Business and Strategic Implications.*”

37. The Host Bank Session was followed by special presentations by representatives of ICC Academy, Earthport, and Ripple the on the activities of their respective organizations



38. As in past years, the Mumbai Conference also included the “**Discover ABA**” session, which featured country presentations by representatives from Hatton National Bank, State Bank of India, Erste Group Bank, and Financial Supervisory Commission of Taiwan on the economic conditions and current developments and growth prospects in the banking and financial markets of their respective countries.

39. An officer of the Bankers Association for Finance and Trade (BAFT) - Mr. Tod R. Burwell, President & CEO Presentation – also made a presentation on “BAFT in Asia”.



54th ABA Board of Directors' Meeting

40. During the Mumbai gathering, the ABA also convened the 54th ABA Board of Directors' Meeting during which Board members discussed internal policy issues and took action on a number of important matters.



41. Among the decisions made by the ABA Board of Directors were the following:

- a. The ABA Board agreed to confer the title of “Chairman Emeritus” to two former ABA Chairmen who have remained active in the ABA for several years after their tenure as Chairman had ended, and have expressed their interest and willingness to continue their involvement in ABA meetings and activities in the years ahead. These included **Mr. Dong-Soo Choi**, former President and CEO of Chohung Bank from Korea, who served as ABA Chairman from 2004 to 2006, and has been Chairman of the Advisory Board since 2013; and **Mrs. Susan Chang**, former Chairman of Bank of Taiwan who served as ABA Chairman from 2008 to 2010.
- b. The Board agreed to present ABA Medallions to members of the ABA Board of Directors who have shown continued strong support and commitment to ABA and its objectives as demonstrated by their consistent attendance and participation in ABA meetings and other ABA activities.
- c. The Board agreed to launch an ABA awards program aimed at recognizing member banks for their achievements in providing



services and products or in undertaking projects that are beneficial to their customers and to their respective communities.

- d. The ABA agreed to hold its 35th ABA General Meeting and Conference in Maldives, with the Bank of Maldives as host organization. A meeting of the ABA Planning Committee will be held in early 2018 in Maldives to discuss the exact date and venue as well as other preparations for the Conference.

Signing of MOUs

42. Before the start of the 54th ABA Board of Directors' Meeting, the ABA signed a Memorandum of Understanding with the Indian Banks' Association (IBA) outlining possible areas of cooperation between the two organizations. The signing ceremony was held before the start of the 54th ABA Board of Directors' Meeting. Amb. Victor C. Y. Tseng, Secretary-Treasurer of ABA, and Mr. V. G. Kannan, Chief Executive of IBA, signed the MOU on behalf of their respective Associations.

43. The Mumbai Conference also served as an occasion for the State Bank of India and the Bank for Foreign Trade of Vietnam (Vietcombank) to sign an MOU identifying possible areas of cooperation between two of the biggest banks in their respective countries. Signing the MOU on behalf of their respective organizations were Mr. Nguyen Ngoc Quang, Director, Financial Institutions at Vietcombank, and Mr. Swaminathan Janakiraman; Head Financial Institutions Group at SBI.





VIII. PREPARATIONS FOR THE 35TH ABA GENERAL MEETING AND CONFERENCE

44. The ABA Secretariat started coordinating with Bank of Maldives on the holding of the ABA Planning Committee Meeting to discuss preparations for the 35th ABA General Meeting and Conference. The date of the Planning Committee Meeting had been set on March 8, with Kurumba Resort in Maldives as the meeting venue.

45. The Secretariat had also conducted a survey among members soliciting their suggestions on the theme and topics for the 2018 Conference, for consideration by the Planning Committee when it meets in March.

